

UNITED STATES TAX COURT
WASHINGTON, DC 20217

JAMES V. ROBERTSON,)	
)	
Petitioner,)	
)	
v.)	Docket No. 4786-09
)	
COMMISSIONER OF INTERNAL REVENUE,)	
)	
Respondent.)	

O R D E R

This collection review case is calendared for trial on the October 4, 2010, Los Angeles, California trial session.

Respondent filed a Status Report on May 18, 2010, advising the Court that the case had been remanded to respondent's Appeals office for another collection due process hearing and a supplemental determination. Respondent states that the case was assigned to the Appeals office closest to petitioner's address and that the case was assigned to an Appeals officer to provide a face-to-face hearing.

Respondent reports that the Appeals officer sent petitioner a letter requesting a collection information statement and any collection alternatives. The letter also asked petitioner to come into compliance by filing his 2003 through 2009 tax returns. The letter requested a face-to-face hearing and set an initial telephone conference for March 23, 2010 at 2 p.m. Petitioner faxed the Appeals officer less than two hours before the scheduled conference call and indicated that he would not be participating in the call and also indicated that he would not be coming into compliance. Petitioner did not propose any collection alternatives. Respondent's Appeals officer issued a separate Supplemental Determination Notice for each of the three CDP Hearing Requests.

The Court has reviewed the record in this case and without exception petitioner appears to be questioning the validity of the Federal tax system and his obligation to file a return and

SERVED May 25 2010

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pay his Federal income tax liability. Without exception, the arguments that petitioner makes are arguments that this Court and other courts have found to be frivolous. We are also convinced from the arguments petitioner has made to Appeals and based on the documents petitioner has submitted to the Court that petitioner is instituting or maintaining this proceeding primarily, if not exclusively, as a protest against the Federal income tax system and his proceeding in this Court is merely a continuation of petitioner's refusal to acknowledge and satisfy his tax obligations.

We take this opportunity to admonish petitioner that, if he continues to make these type of arguments, he is at risk of the Court imposing a penalty against him under section 6673(a)(1). Section 6673 authorizes the Tax Court to require a taxpayer to pay to the United States a penalty up to \$25,000 whenever it appears that proceedings have been instituted or maintained by the taxpayer primarily for delay or that the taxpayer's position in such proceedings is frivolous or groundless. See Scruggs v. Commissioner, T.C. Memo. 1995-355, affd. without published opinion, 117 F.3d 1433 (11th Cir. 1997); Zyglis v. Commissioner, T.C. Memo. 1993-341, affd. without published opinion, 29 F.3d 620 (2d Cir. 1994); Fischer v. Commissioner, T.C. Memo. 1994-586; McDonald v. Commissioner, T.C. Memo. 1992-586; Schott v. Commissioner, T.C. Memo. 1991-457.

When the Court has been faced with meritless arguments that waste the Court's and respondent's limited time and resources, we have consistently found that the taxpayer deserves a penalty under section 6673(a)(1), and that penalty should be substantial, if it is to have the desired deterrent effect. Cf. Talmage v. Commissioner, T.C. Memo. 1996-114, affd. without published opinion 101 F.3d 695 (4th Cir. 1996). The purpose of section 6673 is to compel taxpayers to think and to conform their conduct to settled tax principles. Coleman v. Commissioner, 791 F.2d 68, 71 (7th Cir. 1986); see also Grasselli v. Commissioner, T.C. Memo. 1994-581.

Petitioner is also warned that he is at risk of having a dismissal entered against him if he fails to raise any relevant issue or fails to present any nonfrivolous argument.

Upon due consideration and for cause, it is

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ORDERED that petitioner shall have until July 15, 2010, in which to show cause in writing why this case should not be dismissed and a decision entered sustaining the collection action determined for the years at issue as set forth in the Supplemental Determination for each of the years at issue. It is further

ORDERED that this case shall be handled as a lien and levy case and the caption of this case is amended by adding the letter "L" to the docket number, which will now read "Docket No. 4786-09L." The Clerk of the Court shall also change the record in this case to reflect that the docket number shall be shown as Docket No. 4786-09L.

(Signed) Diane L. Kroupa
Judge

Dated: Washington, D.C.
May 25, 2010